A bill to be entitled

An act relating to a review of the water management districts under the Florida Government Accountability Act; reenacting s. 373.069, F.S.; relating to the establishment of the water management districts; amending s.373.0693, F.S.; relating to basin boards; establishing a limit on the time a basin board member may serve beyond an expired term; reducing the number of basin board members on the Manasota Basin; eliminating the Oklawaha River Basin Advisory Council; creating s. 373.072, F.S.; relating to the establishment of the Florida Water Management District Governing Board Nominating Council; providing for the membership and appointment of council members; providing provisions for the qualification and nomination of individuals to be considered for gubernatorial appointment as members of the water management district governing boards; amending s. 373.073, F.S.; relating to water management district governing boards; revising the membership of water management district governing boards, requiring gubernatorial appointments as members of the water management district governing boards to be from a list of qualified candidates nominated by the Florida Water Management District Governing Board Nominating Council; amending s. 373.079 F.S.; relating the powers of the water management district governing boards; requiring water management district governing boards to delegate the authority to approve certain permits to the water management district's executive director; amending s.

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373.083, F.S.; relating to general powers of water management district governing board; requiring water management district governing boards to delegate the authority to approve certain permits to the water management district's executive director; repealing s. 373.118, F.S.; relating to the delegation of authority to issue general permits; amending s. 373.536, F.S.; relating to the water management districts budgets and fiscal year; revising fiscal year dates for water management districts; revising the date by which water management districts must submit tentative budgets to the Governor and the Legislature; revising the reporting requirements of the tentative budget; revising the date for the Legislature to comment on such budgets; revising the date by which the Executive Office of the Governor must file a specified report with the Legislature; repealing s.373.465, F.S.; eliminating the Lake Panasoffkee Restoration Council; amending s. 373.584, F.S.; relating to authorization for water management districts to issue revenue bonds; relating to authorization for water management districts to issue revenues bonds; revises the definition of revenue bonds; amending s. 373.59, F.S.; relating to Water Management Lands Trust Funds; regarding the total number of payment in lieu of taxes a county may receive; authorizing the use of specified funds; providing an effective date.

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Be It Enacted by the Legislature of the State of Florida:

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- Section 1. Section 373.069, Florida Statutes, is reenacted.
- Section 2. Subsections (3) and (7), and paragraph (a) of subsection (8) of section 373.0693, Florida Statutes, are amended to read:

373.0693 Basin; basin boards --

- (3) Each member of the various basin boards shall serve for a period of 3 years or until a successor is appointed, but not more than 180 days beyond the end of the expired term, except that the board membership of each new basin shall be divided into three groups as equally as possible, with members in such groups to be appointed for 1, 2, and 3 years, respectively. Each basin board shall choose a vice chair and a secretary to serve for a period of 1 year. The term of office of a basin board member shall be construed to commence on March 2 preceding the date of appointment and to terminate March 1 of the year of the end of a term or may continue until a successor is appointed, but not more than 180 days beyond the end of the expired term.
- (7) At 11:59 p.m. on December 31, 1976, the Manasota Watershed Basin of the Ridge and Lower Gulf Coast Water Management District, which is annexed to the Southwest Florida Water Management District by change of its boundaries pursuant to chapter 76-243, Laws of Florida, shall be formed into a subdistrict or basin of the Southwest Florida Water Management District, subject to the same provisions as the other basins in such district. Such subdistrict shall be designated initially as

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the Manasota Basin. The members of the governing board of the Manasota Watershed Basin of the Ridge and Lower Gulf Coast Water Management District shall become members of the governing board of the Manasota Basin of the Southwest Florida Water Management District. Notwithstanding other provisions in this section, beginning on July 1, 2001, the membership of the Manasota Basin Board shall be comprised of two three members from Manatee County and two three members from Sarasota County. Matters relating to tie votes shall be resolved pursuant to subsection (6) by the ex officio chair designated by the governing board to vote in case of a tie vote.

(8)(a) At 11:59 p.m. on June 30, 1988, the area transferred from the Southwest Florida Water Management District to the St. Johns River Water Management District by change of boundaries pursuant to chapter 76-243, Laws of Florida, shall cease to be a subdistrict or basin of the St. Johns River Water Management District known as the Oklawaha River Basin and said Oklawaha River Basin shall cease to exist. However, any recognition of an Oklawaha River Basin or an Oklawaha River Hydrologic Basin for regulatory purposes shall be unaffected. The area formerly known as the Oklawaha River Basin shall continue to be part of the St. Johns River Water Management District. There shall be established by the governing board of the St. Johns River Water Management District the Oklawaha River Basin Advisory Council to receive public input and advise the St. Johns River Water Management District's governing board on water management issues affecting the Oklawaha River Basin. The Oklawaha River Basin Advisory Council shall be appointed by

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action of the St. Johns River Water Management District's governing board and shall include one representative from each county which is wholly or partly included in the Oklawaha River Basin. The St. Johns River Water Management District's governing board member currently serving pursuant to s. 373.073(2)(c)3. shall serve as chair of the Oklawaha River Basin Advisory Council. Members of the Oklawaha River Basin Advisory Council shall receive no compensation for their services but are entitled to be reimbursed for per diem and travel expenses as provided in s. 112.061.

Section 3. Section 373.072, Florida Statutes, is created to read:

- 373.072 Florida Water Management District Governing Board Nominating Council.--
- (1) LEGISLATIVE INTENT. -- It is the intent of the legislature to ensure the public trust and resources are appropriately protected by seeking qualified candidates for gubernatorial appointment as water management district governing board members.
  - (2) ESTABLISHMENT OF THE COUNCIL.--
- (a) There is created a Florida Water Management District Governing Board Nominating Council.
- (b) The council shall consist of 12 members composed of the following members:
- 1. Four members of the Senate, at least one of whom shall be a member of the minority party, appointed by the President of the Senate.

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- 2. Four members of the House of Representatives, at least one of whom shall be a member of the minority party, appointed by the Speaker of the House of Representatives.
- 3. Four members of the public, two appointed by the President of the Senate and two appointed by the Speaker of the House of Representatives.
- (c) Council members shall be appointed for 4-years, except those members of the House and Senate, who shall serve 2-year terms concurrent with the 2-year elected terms of House members.

  In order to establish staggered terms, appointments of council members shall be made for initial terms as follows:
- 1. The President of the Senate shall appoint 4 members of the Senate; two members to 1-year terms and two members to 2-year terms.
- 2. The President of the Senate shall appoint two members of the public; one member to a 1-year term, and one member to a 4-year term.
- 3. The Speaker of the House of Representatives shall appoint four members of the House of Representatives; two members to 1-year terms and two members to 2-year terms.
- 4. The Speaker of the House Representatives shall appoint two members of the public; one member to a 2-year term, and one member to a 3-year term.
- (d) Initial terms shall begin on July 1, 2009 and subsequent terms shall begin on January 1.
- (e) Each vacancy on the council shall be filled for the unexpired portion of the term in the same manner as the original appointment to the council. A member may not be reappointed to

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the council, except for a council member initially appointed to a term of less than four years or a person who is appointed to fill the remaining portion of an unexpired term that is for a period of less than 2 years.

- (3) MEETINGS; ORGANIZATION. --
- (a) A majority of the membership of the council constitutes a quorum.
- (b) All meetings and proceedings of the council shall be subject to the provisions of ss. 119.07 and 286.011.
- (c) Members of the council shall serve without compensation, but are entitled to receive per diem and travel expenses as provided in s. 112.061, which must be funded by the Water Management Lands Trust Fund. The council expenses must be reimbursed proportionately by the respective water management district whose governing board vacancy is being filled.
  - (4) SCOPE OF ACTIVITIES. --
- (a) The council shall establish uniform policies and procedures governing the process by which applicants are nominated.
- (b) In order to nominate a candidate, the council shall determine that:
- 1. The candidate is competent, knowledgeable, and possesses substantial technical expertise in a field related to the duties and functions of the water management districts.

  These fields shall include, but are not limited to: agriculture, the development industry, local government, government-owned or privately owned water utilities, law, civil engineering, environmental science, hydrology, accounting, financial

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businesses, another field substantially related to the duties and functions of the water management district, or a member of business community within the water management district's boundaries.

- 2. The candidate is a homesteaded resident within the district he or she is nominated to represent and the candidate meets the residency requirement of s. 373.072(2) for the vacancy being filled.
- 3. The candidate has a background investigation conducted by the Florida Department of Law Enforcement and has been determined to be of good moral standards.
- (c) In developing a list of nominees, the council shall ensure that no more than two governing board members on each water management district governing board are residents of the same county and no person can represent more than one water management district governing board. The council shall consider nominating candidates that represent an equitable cross-section of regional interests and technical expertise. Recommendations of the council must be nonpartisan.
- (d) The council must nominate no fewer than three qualified persons for each vacancy occurring on a water management governing board, unless fewer than three qualified candidates apply. The council shall submit the recommendations to the Governor by September 15 of those years in which the terms are to begin the following January, or within 60 days after a vacancy occurs for any reason other than the expiration of the term.

- (e) The council shall designate a primary candidate within its recommendations. The primary candidate shall be considered appointed by the Governor should the Governor fail to appoint a governing board member from recommendations of the council within 60 days of the receipt of such recommendations.
- (f) Each water management district may advertise each vacancy on its water management governing board or prominently post the vacancy on the water management district's home web page.
- (g) The council expenses must be proportionately shared by the respective water management district whose governing board vacancy is being filled. The Florida Department of Environmental Protection is authorized to execute a memorandum of understanding between state's water management districts and the department in order to fund the expenses of the Florida Water Management District Governing Board Nominating Council.
- (h) The water management districts shall assist the council by providing staff, counsel, and technical assistance necessary to carry out the responsibilities of the council.
- Section 4. Section 373.073, Florida Statutes, is amended to read:
  - 373.073 Governing board.--
- (1)(a) The governing board of each water management district shall be composed of 9 members who shall reside within the district, except that the Southwest Florida Water Management District shall be composed of 13 members who shall reside within the district. Members of the governing boards shall be appointed by the Governor from a list of candidates nominated by the

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Florida Water Management District Governing Board Nominating Council, subject to confirmation by the Senate at the next regular session of the Legislature, and the refusal or failure of the Senate to confirm an appointment creates a vacancy in the office to which the appointment was made. The term of office for a governing board member is 4 years and commences on March 2 of the year in which the appointment is made and terminates on March 1 of the fourth calendar year of the term or may continue until a successor is appointed, but not more than 180 days. Terms of office of governing board members shall be staggered to help maintain consistency and continuity in the exercise of governing board duties and to minimize disruption in district operations.

- (b) Commencing January 1,  $\frac{1999}{2010}$ , the Governor shall appoint the following number of governing board members in each year of the Governor's 4-year term of office:
- 1. In the first year of the Governor's term of office, the Governor shall appoint three members to the governing board of each district.
- 2. In the second year of the Governor's term of office, the Governor shall appoint three members to the governing board of the Southwest Florida Water Management District and two members to the governing board of each other district.
- 3. In the third year of the Governor's term of office, the Governor shall appoint three members to the governing board of the Southwest Florida Water Management District and two members to the governing board of each other district.

4. In the fourth year of the Governor's term of office, the Governor shall appoint two members to the governing board of each district.

For any governing board vacancy that occurs before the date scheduled for the office to be filled under this paragraph, the Governor shall appoint a person meeting residency requirements of subsection (2) nominated by the Florida Water Management District Governing Board Nominating Council for a term that will expire on the date scheduled for the term of that office to terminate under this subsection. In addition to the residency requirements for the governing boards as provided by subsection (2), the Governor shall consider appointing governing board members to represent an equitable cross-section of regional interests and technical expertise.

(2) Membership on governing boards shall be selected from candidates who have significant experience in one or more of the following areas, including, but not limited to: agriculture, the development industry, local government, government-owned or privately owned water utilities, law, civil engineering, environmental science, hydrology, accounting, or financial businesses. Notwithstanding the provisions of any other general or special law to the contrary, vacancies in the governing boards of the water management districts shall be filled according to the following residency requirements, representing areas designated by the United States Water Resources Council in United States Geological Survey, River Basin and Hydrological Unit Map of Florida--1975, Map Series No. 72:

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- (a) Northwest Florida Water Management District:
- 1. One member shall reside in the area generally designated as the "Perdido River Basin-Perdido Bay Coastal Area-Lower Conecuh River-Escambia River Basin" hydrologic units and that portion of the "Escambia Bay Coastal Area" hydrologic unit which lies west of Pensacola Bay and Escambia Bay.
- 2. One member shall reside in the area generally designated as the "Blackwater River Basin-Yellow River Basin-Choctawhatchee Bay Coastal Area" hydrologic units and that portion of the "Escambia Bay Coastal Area" hydrologic unit which lies east of Pensacola Bay and Escambia Bay.
- 3. One member shall reside in the area generally designated as the "Choctawhatchee River Basin-St. Andrews Bay Coastal Area" hydrologic units.
- 4. One member shall reside in the area generally designated as the "Lower Chattahoochee-Apalachicola River-Chipola River Basin-Coastal Area between Ochlockonee River Apalachicola Rivers-Apalachicola Bay coastal area and offshore islands" hydrologic units.
- 5. One member shall reside in the area generally designated as the "Ochlockonee River Basin-St. Marks and Wakulla Rivers and coastal area between Aucilla and Ochlockonee River Basin" hydrologic units.
- 6. Four members shall be appointed at large, except that no county shall have more than two members on the governing board.
  - (b) Suwannee River Water Management District:

- 1. One member shall reside in the area generally designated as the "Aucilla River Basin" hydrologic unit.
- 2. One member shall reside in the area generally designated as the "Coastal Area between Suwannee and Aucilla Rivers" hydrologic unit.
- 3. One member shall reside in the area generally designated as the "Withlacoochee River Basin-Alapaha River Basin-Suwannee River Basin above the Withlacoochee River" hydrologic units.
- 4. One member shall reside in the area generally designated as the "Suwannee River Basin below the Withlacoochee River excluding the Santa Fe River Basin" hydrologic unit.
- 5. One member shall reside in the area generally designated as the "Santa Fe Basin-Waccasassa River and coastal area between Withlacoochee and Suwannee River" hydrologic units.
- 6. Four members shall be appointed at large, except that no county shall have more than two members on the governing board.
  - (c) St. Johns River Water Management District:
- 1. One member shall reside in the area generally designated as the "St. Marys River Basin-Coastal area between St. Marys and St. Johns Rivers" hydrologic units.
- 2. One member shall reside in the area generally designated as the "St. Johns River Basin below Oklawaha River-Coastal area between the St. Johns River and Ponce de Leon Inlet" hydrologic units.
- 3. One member shall reside in the area generally designated as the "Oklawaha River Basin" hydrologic unit.

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- 4. One member shall reside in the area generally designated as the "St. Johns River Basin above the Oklawaha River" hydrologic unit.
- 5. One member shall reside in the area generally designated as the "Coastal area between Ponce de Leon Inlet and Sebastian Inlet-Coastal area Sebastian Inlet to St. Lucie River" hydrologic units.
- 6. Four members shall be appointed at large, except that no county shall have more than two members on the governing board.
  - (d) South Florida Water Management District:
  - 1. Two members shall reside in Miami-Dade County.
  - 2. One member shall reside in Broward County.
  - 3. One member shall reside in Palm Beach County.
- 4. One member shall reside in Collier County, Lee County, Hendry County, or Charlotte County.
- 5. One member shall reside in Glades County, Okeechobee County, Highlands County, Polk County, Orange County, or Osceola County.
- 6. Two members, appointed at large, shall reside in an area consisting of St. Lucie, Martin, Palm Beach, Broward, Miami-Dade, and Monroe Counties.
- 7. One member, appointed at large, shall reside in an area consisting of Collier, Lee, Charlotte, Hendry, Glades, Osceola, Okeechobee, Polk, Highlands, and Orange Counties.
- 8. No county shall have more than three members on the governing board.
  - (e) Southwest Florida Water Management District:

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- 1. Two members shall reside in Hillsborough County.
- 2. One member shall reside in the area consisting of Hillsborough and Pinellas Counties.
  - 3. Two members shall reside in Pinellas County.
  - 4. One member shall reside in Manatee County.
  - 5. Two members shall reside in Polk County.
  - 6. One member shall reside in Pasco County.
- 7. One member shall be appointed at large from Levy,
- 397 Citrus, Sumter, and Lake Counties.

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- 398 8. One member shall be appointed at large from Hardee, 399 DeSoto, and Highlands Counties.
  - 9. One member shall be appointed at large from Marion and Hernando Counties.
  - 10. One member shall be appointed at large from Sarasota and Charlotte Counties.
  - Section 5. Subsection (4) of section 373.079, Florida Statutes, is amended to read:
  - 373.079 Members of governing board; oath of office; staff.--
  - (4) (a) The governing board of the district is authorized to employ an executive director, ombudsman, and such engineers, other professional persons, and other personnel and assistants as it deems necessary and under such terms and conditions as it may determine and to terminate such employment. The appointment of an executive director by the governing board is subject to approval by the Governor and must be initially confirmed by the Florida Senate. The governing board may delegate all or part of its authority under this paragraph to the executive director.

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However, the governing board shall delegate to the executive director, all of its authority to take final action on permit applications under part II and part IV, or petitions for variances or waviers of permitting requirements under part II or part IV, except for denials of such actions as provided in s.373.083(5). The executive director must be confirmed by the Senate upon employment and must be confirmed or reconfirmed by the Senate during the second regular session of the Legislature following a gubernatorial election.

- (b)1. The governing board of each water management district shall employ an inspector general, who shall report directly to the board. However, the governing boards of the Suwannee River Water Management District and the Northwest Florida Water Management District may jointly employ an inspector general, or provide for inspector general services by interagency agreement with a state agency or water management district inspector general.
- 2. An inspector general must have the qualifications prescribed and perform the applicable duties of state agency inspectors general as provided in s. 20.055.
- Section 6. Subsection (5) of section 373.083, Florida Statutes, is amended to read:
- 373.083 General powers and duties of the governing board.--In addition to other powers and duties allowed it by law, the governing board is authorized to:
- (5) Execute any of the powers, duties, and functions vested in the governing board through a member or members thereof, the executive director, or other district staff as

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designated by the governing board. The governing board may establish the scope and terms of any delegation. The However, if the governing board shall delegate all of its delegates the authority to the executive director take final action on permit applications under part II or part IV, or petitions for variances or waivers of permitting requirements under part II or part IV. However, the governing board shall provide a process for referring any denial of such application or petition to the governing board to take final action. The authority in this subsection is supplemental to any other provision of this chapter granting authority to the governing board to delegate specific powers, duties, or functions.

Section 7. Subsection (4) of section 373.118, Florida Statutes, is amended to read:

373.118 General permits; delegation.--

(4) To provide for greater efficiency, the governing board may delegate by rule its powers and duties pertaining to general permits to the executive director. The executive director may execute such delegated authority through designated staff.

However, when delegating the authority to take final action on permit applications under part II or part IV or petitions for variances or waivers of permitting requirements under part II or part IV, the governing board shall provide a process for referring any denial of such application or petition to the governing board to take such final action.

Section 8. Subsection (1), (2), and (5) of section 373.536, Florida Statutes, are amended to read:

373.536 District budget and hearing thereon.--

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- (1) FISCAL YEAR.—The fiscal year of districts created under the provisions of this chapter shall extend from  $\underline{\text{July}}$  October 1 of one year through  $\underline{\text{June}}$  September 30 of the following year.
- (2) BUDGET SUBMITTAL. -- The budget officer of the district shall, on or before July 15 of each year, submit for consideration by the governing board of the district a tentative budget for the district covering its proposed operations and funding requirements for the ensuing fiscal year.
- (5) TENTATIVE BUDGET CONTENTS AND SUBMISSION; REVIEW AND APPROVAL.--
- (a) The Executive Office of the Governor is authorized to approve or disapprove, in whole or in part, the budget of each water management district and shall analyze each budget as to the adequacy of fiscal resources available to the district and the adequacy of district expenditures related to water supply, including water resource development projects identified in the district's regional water supply plans; water quality; flood protection and floodplain management; and natural systems. This analysis shall be based on the particular needs within each water management district in those four areas of responsibility.
- (b) The Executive Office of the Governor and the water management districts shall develop a process to facilitate review and communication regarding water management district budgets, as necessary. Written disapproval of any provision in the tentative budget must be received by the district at least 5 business days prior to the final district budget adoption hearing conducted under s. 200.065(2)(d). If written disapproval

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of any portion of the budget is not received at least 5 business days prior to the final budget adoption hearing, the governing board may proceed with final adoption. Any provision rejected by the Governor shall not be included in a district's final budget.

- August 1 of each year, submit for review a tentative budget to the Governor, the President of the Senate, the Speaker of the House of Representatives, the chairs of all legislative committees and subcommittees with substantive or fiscal jurisdiction over water management districts, as determined by the President of the Senate or the Speaker of the House of Representatives as applicable, the secretary of the department, and the governing body of each county in which the district has jurisdiction or derives any funds for the operations of the district.
- expenditures of the district, to which may be added an amount to be held as reserve. The tentative budget must include, but is not limited to, the following information for the preceding fiscal year and the current fiscal year, and the proposed amounts for the upcoming fiscal year, in a standard format prescribed by the Executive Office of the Governor:
- 1. The estimated amount of funds remaining at the beginning of the fiscal year which have been obligated for the payment of outstanding commitments not yet completed.
- 2. The estimated amount of unobligated funds or net cash balance on hand at the beginning of the fiscal year, and the estimated amount of funds to be raised by district taxes or

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received from other sources to meet the requirements of the district.

- 3. The millage rates and the percentage increase above the rolled-back rate, together with a summary of the reasons the increase is required, and the percentage increase in taxable value resulting from new construction within the district.
- 4. The salaries and benefits, expenses, operating capital outlay, number of authorized positions, and other personal services for the following program areas of the district:
  - a. Water resource planning and monitoring;
  - b. Land acquisition, restoration, and public works;
  - c. Operation and maintenance of works and lands;
  - d. Regulation;
- e. Outreach for which the information provided must contain a full description and accounting of expenditures for water resources education; public information and public relations, including public service announcements and advertising in any media; and lobbying activities related to local, regional, state and federal governmental affairs, whether incurred by district staff or through contractual services; and
  - f. Management and administration.

In addition to the program areas reported by all water management districts, the South Florida Water Management District shall include in its budget document separate sections on all costs associated with the Everglades Construction Project, and the Comprehensive Everglades Restoration Plan and the Northern Everglades and Estuaries Protection Program.

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- 5. The total estimated amount in the district budget for each area of responsibility listed in subparagraph 4. and for water resource development projects identified in the district's regional water supply plans.
- 6. A description of each new, expanded, reduced, or eliminated program.
- 7. The funding sources, including, but not limited to, ad valorem taxes, Surface Water Improvement and Management Program funds, other state funds, federal funds, and user fees and permit fees for each program area.
- (e) By May September 5 of the year in which the budget is submitted, the House and Senate appropriations chairs may transmit to each district comments and objections to the proposed budgets. Each district governing board shall include a response to such comments and objections in the record of the governing board meeting where final adoption of the budget takes place, and the record of this meeting shall be transmitted to the Executive Office of the Governor, the department, and the chairs of the House and Senate appropriations committees.
- (f) The Executive Office of the Governor shall annually, on or before <u>September</u> December 15, file with the Legislature a report that summarizes its review of the water management districts' tentative budgets and displays the adopted budget allocations by program area. The report must identify the districts that are not in compliance with the reporting requirements of this section. State funds shall be withheld from a water management district that fails to comply with these reporting requirements.

Section 9. Subsection (4) of section 373.584, Florida Statutes, is amended to read.

373.584 Revenue bonds.--

- (4) As used in this section:
- (a) "Bonds" means bonds, debentures, notes, certificates of indebtedness, certificates of participation, mortgage certificates, or other obligations or evidences of indebtedness of any type or character. Certificates of participation are not an authorized financing instrument under this section.
- (b) "Project" means a governmental undertaking approved by the governing body of a water management district and includes all property rights, easements, and franchises relating thereto and deemed necessary or convenient for the construction, acquisition, or operation thereof, and embraces any capital expenditure which the governing body of a water management district shall deem to be made for a public purpose, including the refunding of any bonded indebtedness which may be outstanding on any existing project.
- (c) "Revenue bonds" means bonds of a water management district to the payment of which the full faith and credit and power to levy ad valorem taxes are not pledged.
- Section 10. Subsection (1) and paragraph (b) of subsection (10) of section 373.59, Florida Statutes, are amended to read:

  373.59 Water Management Lands Trust Fund.--
- (1) There is established within the Department of Environmental Protection the Water Management Lands Trust Fund to be used as a nonlapsing fund for the purposes of this section. The moneys in this fund are hereby continually

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appropriated for the purposes of land acquisition, management, maintenance, capital improvements of land titled to the districts, payments in lieu of taxes, debt service on bonds issued prior to July 1, 1999, debt service on bonds issued on or after July 1, 1999, which are issued to refund bonds issued before July 1, 1999, preacquisition costs associated with land purchases, and the department's costs of administration of the fund, and the direct expenses of the Florida Water Management District Governing Board Nominating Council. No refunding bonds may be issued which mature after the final maturity date of the bonds being refunded or which provide for higher debt service in any year than is payable on such bonds as of February 1, 2009. The department's costs of administration shall be charged proportionally against each district's allocation using the formula provided in subsection (8). Capital improvements shall include, but need not be limited to, perimeter fencing, signs, firelanes, control of invasive exotic species, controlled burning, habitat inventory and restoration, law enforcement, access roads and trails, and minimal public accommodations, such as primitive campsites, garbage receptacles, and toilets. The moneys in the fund may also be appropriated to supplement operational expenditures at the Northwest Florida Water Management District and the Suwannee River Water Management District, with such appropriations allocated prior to the allocations set out in subsection (8) to the five water management districts.

(10) (b) Payment in lieu of taxes shall be available:

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- 1. To all counties that have a population of 150,000 or fewer. Population levels shall be determined pursuant to s. 11.031.
  - 2. To all local governments located in eligible counties and whose lands are bought and taken off the tax rolls.

For properties acquired after January 1, 2000, in the event that such properties otherwise eligible for payment in lieu of taxes under this subsection are leased or reserved and remain subject to ad valorem taxes, payments in lieu of taxes shall commence or recommence upon the expiration or termination of the lease or reservation, but in no event shall there be more than a total of 10 annual payments in lieu of taxes for each tax loss. If the lease is terminated for only a portion of the lands at any time, the 10 annual payments shall be made for that portion only commencing the year after such termination, without limiting the requirement that 10 annual payments shall be made on the remaining portion or portions of the land as the lease on each expires. For the purposes of this subsection, "local government" includes municipalities, the county school board, mosquito control districts, and any other local government entity which levies ad valorem taxes.

Section 11. Except as otherwise expressly provided in this act, this act shall take effect July 1, 2009.

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